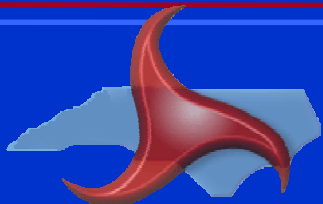


North Carolina's New Starts Program

**Presented to
Joint Legislative Transportation Oversight Committee
Roberto Canales, P.E.
Deputy Secretary for Transit**

March 18, 2008



Overview

- Existing Legislation
- Funding
- Future Rail Projects
- Opportunities and Challenges



NC General Statute 136-44.20

Excerpts

- The Secretary may, subject to the appropriations made by the General Assembly for any fiscal year, enter into State Full Funding Grant Agreements with a Regional Public Transportation Authority (RPTA) duly created and existing pursuant to Article 26 of Chapter 160A, a Regional Transportation Authority (RTA) duly created and existing pursuant to Article 27 of Chapter 160A, or a city organized under the laws of this State as defined in G.S. 160A-1(2), to provide State matching funds for "new start" fixed guideway projects in development by any entity pursuant to 49 U.S.C. § 5309. These grant agreements shall be executable only upon an Authority's or city's completion of and the Federal Transit Administration (FTA) approval of Preliminary Engineering and Environmental Impact Studies in anticipation of federal funding pursuant to 49 U.S.C. § 5309.
- Prior to executing State Full Funding Grant Agreements, the Secretary shall submit proposed grant agreements or amendments to the Joint Legislative Transportation Oversight Committee for review. The agreements, consistent with federal guidance, shall define the limits of the "new starts" projects within the State, commit maximum levels of State financial participation, and establish terms and conditions of State financial participation.

(underlining added)



Limitations in the General Statute

- Project sponsor must anticipate receiving FTA New Starts funding
- Enter into agreement only with:
 - Regional public transportation authority (TTA)
 - Regional transportation authority (PART)
 - City
- Executable only after FTA approval of Preliminary Engineering and Environmental Impact Statement
- Timing for Joint Legislative Transportation Oversight Committee review prior to execution
- Funds subject to appropriations by General Assembly



New Start Projects Funded to Date

State Full Funding Grant Agreements:

Charlotte South Corridor Light Rail – project completed and in operation
(Total project cost \$426.8 million (\$199.3 million federal / \$106.7 million state
\$120.7 million local)

- Triangle Transit Authority Regional Rail Phase I – project halted prior to construction - Total project cost \$813 million (\$410.5 million federal / \$199.3 million state / \$203.2 million local)

Grants:

Charlotte Multiple Corridors Draft Environmental Impact Studies (Northeast, North, Southeast, West and Streetcars) – preliminary engineering/DEIS - completed
Total: \$18 million (\$9 million state / \$9 million local)

- Charlotte Northeast Corridor (light rail) Preliminary Engineering – contract underway
- Piedmont Authority for Regional Transportation East – West Corridor Alternatives Analysis Study – study still underway Total \$1,484,748 (\$742,374 state / \$742,378 local)



Funding

Appropriations

Highway Fund	\$135,900,662
Highway Trust Fund	\$86,000,000
NC Moving Ahead	\$2,000,000
Total Appropriations	\$223,900,662

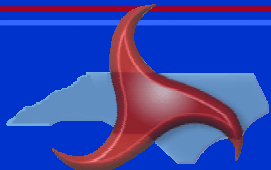
Obligations

City of Charlotte	\$134,255,623
Triangle Transit Authority	\$34,201,586
Piedmont Authority for Regional Transportation	\$995,674
Total Obligations	\$169,452,523

Expenses

State Share Paid to Date	\$137,417,732
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Unobligated Balance	\$ 54,448,139
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Current & Potential Projects: Through 2035

Project Sponsor	Project Description	Status	Estimated Year of Completion	Anticipated Federal Participation	Estimated Total Cost	Estimated State Share	State Percent
Completed							
Charlotte	South Corridor Light Rail	Completed	2007	Yes	\$462,748,292	\$106,710,892	23%
Underway in Federal Process							
Charlotte	Northeast Corridor	Preliminary Engineering	2013	Yes	\$749,000,000	\$187,250,000	25%
Halted							
TTA	Regional Rail Phase I	Halted	N/A	Yes	\$813,000,000	\$199,300,000	
		Actual	N/A	Yes	\$129,698,592	\$29,826,586	
Early Stages							
Charlotte	North Corridor Commuter Rail	Financial Planning	2012	No	\$261,000,000	\$65,250,000	25%
Charlotte	Southeast Corridor Bus Rapid Transit or Light Rail	On Hold	2027	Yes	\$582,000,000	\$145,000,000	25%
Charlotte	West Corridor	On Hold	2024	Yes	\$499,875,000	\$121,802,000	25%
Charlotte	Streetcar Network	On Hold	2016	Yes	\$326,339,000	\$38,319,500	25%
PART	East – West Corridor	Planning	2016	Unknown	\$334,000,000	\$83,500,000	25%
Triangle Region	Project 1 (STAC)	Early Planning	2017	No	\$1,211,000,000	\$302,750,500	25%
Triangle Region	Project 2 (STAC)	Early Planning	2020	Yes	\$1,020,000,000	\$255,000,000	25%
Triangle Region	Project 3 (STAC)	Early Planning	2022	Yes	\$1,528,000,000	\$382,000,000	25%
Triangle Region	Project 4 (STAC)	Early Planning	2024	Yes	\$473,000,000	\$118,250,000	25%

STAC: Draft recommendations of the Special Transit Advisory Commission appointed to develop a transit vision for the Triangle Region



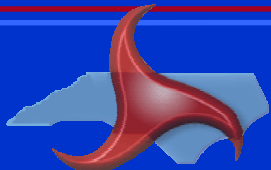
Opportunities

- Establish State Oversight Protocol
 - State oversight has piggybacked on federal oversight process
 - Separate oversight protocol for state approval process would allow for decisions on state participation separate from decisions on federal participation for all phases of each project



Opportunities

- NCDOT and project sponsor collaboration on commuter and intercity passenger rail projects of mutual benefit
 - Sharing of track, signals and platforms is possible
 - Locomotives and passenger cars are almost identical allowing for common procurement of vehicles and parts
 - Co-locate or share maintenance facilities



Challenges

- Funding is key – dedicated and adequate to meet capital and operating costs
- Federal criteria are hard to meet except for extensions of existing rail lines
- Many projects competing for limited federal dollars
- Projects have long lead times resulting in cost inflation
- Rail projects need to be “fed” riders from robust feeder bus services, which requires adequate funds for transit buses and operating expenses



Questions?

